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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
IN AND FOR THE COUNTY OF SACRAMENTO

FAIR POLITICAL PRACTICES COMMISSION,	)	Case No. 02AS04544
a state agency,	)	
	)	FIRST AMENDED
Plaintiff,	)	COMPLAINT FOR CIVIL
	)	PENALTIES UNDER THE
v.	)	POLITICAL REFORM ACT OF 1974,
	)	AS AMENDED
SANTA ROSA INDIAN COMMUNITY OF THE	)	
SANTA ROSA RANCHERIA dba PALACE	)	(Government Code §§ 91001(b) and
BINGO AND PALACE INDIAN GAMING	)	91004)
CENTER, and DOES I-XX,	)	
	)	UNLIMITED CIVIL ACTION
Defendants.	)	

Plaintiff, FAIR POLITICAL PRACTICES COMMISSION, a state agency, alleges as follows:

1. Plaintiff brings this action in the public interest to enforce the provisions of the Political Reform Act of 1974. (Government Code sections 81000 through 91014.)

**CAMPAIGN DISCLOSURE REQUIREMENTS**

2. An express purpose of the Political Reform Act of 1974 (the "Act"), as set forth in Government Code section 81002, subdivision (a), is to ensure that the contributions and expenditures affecting California election campaigns are fully and truthfully disclosed to the public, in order that voters may be fully informed, and improper practices may be inhibited.

3. In furtherance of this purpose of disclosure, the Act sets forth a comprehensive campaign reporting system, designed to disclose to the public in a timely manner pre-election activity by major donors to California political candidates and committees. (Gov. Code section 84200, et seq.)

## CIVIL ENFORCEMENT

4. Government Code section 91004 provides that any person, who intentionally or negligently violates any of the reporting requirements of the Act, shall be liable in a civil action in an amount up to the amount(s) not properly reported. Government Code section 81002 provides that the Act will be vigorously enforced.

## JURISDICTION AND VENUE

5. This court has original jurisdiction over the amount in controversy in this matter. As the causes of action in this matter occurred in connection with campaign statements and reports that should have been filed with the Office of the California Secretary of State (the “Secretary of State”), located in the County of Sacramento, the County of Sacramento is the proper venue for this action, pursuant to Code of Civil Procedure section 393.

## PARTIES

## PLAINTIFF FAIR POLITICAL PRACTICES COMMISSION

6. Plaintiff Fair Political Practices Commission (the “Commission”) is a state agency created by the Act. The Commission has primary responsibility for the impartial, effective administration and implementation of the Act. (Gov. Code section 83111.) Pursuant to Government Code section 91001, subdivision (b), the Commission is the civil prosecutor for matters involving state committees and state election campaigns, and is authorized to maintain this action under Government Code sections 91001, subdivision (b), and 91004.

DEFENDANT SANTA ROSA INDIAN COMMUNITY OF THE SANTA ROSA RANCHERIA

7. Defendant Santa Rosa Indian Community of the Santa Rosa Rancheria (the “Santa Rosa Rancheria”) is a federally recognized Indian Tribe, and a person as defined in Government Code section 82047.

8. At all times relevant herein, Defendant Santa Rosa Rancheria did business under the names of Palace Bingo and/or Palace Indian Gaming Center.

1           9.       On and between January 1, 1998 and June 30, 1998, Defendant Santa Rosa Rancheria  
2 injected itself into the political affairs of the People of the State of California by making contributions  
3 totaling at least \$125,000.00 to California political candidates and committees. Based on the amount of  
4 contributions known to have been made by Defendant Santa Rosa Rancheria to California political  
5 candidates and committees during that period, Defendant Santa Rosa Rancheria was a major donor  
6 committee under Government Code section 82013, subdivision (c), for the 1998 calendar year.

7           10.      On and between July 1, 2000 and December 31, 2000, Defendant Santa Rosa Rancheria  
8 injected itself into the political affairs of the People of the State of California by making contributions  
9 totaling at least \$35,000.00 to California political candidates and committees. Based on the amount of  
10 contributions known to have been made by Defendant Santa Rosa Rancheria to California political  
11 candidates and committees during that period, Defendant Santa Rosa Rancheria was a major donor  
12 committee under Government Code section 82013, subdivision (c), for the 2000 calendar year.

13 **DEFENDANTS DOES I-XX**

14           11.      Defendants DOE I through DOE XX are sued herein under fictitious names. Their true  
15 names and capacities are unknown to Plaintiff. When said true names and capacities are ascertained,  
16 Plaintiff will amend this complaint by inserting their true names and capacities herein. Plaintiff is  
17 informed and believes, and thereon alleges that each of the fictitiously named Defendants is legally  
18 responsible in some manner for the violations of the Act alleged herein.

19 **FIRST CAUSE OF ACTION**

20 **(THREE VIOLATIONS-FAILURE TO FILE SEMI-ANNUAL CAMPAIGN STATEMENTS)**

21           12.      Plaintiff re-alleges, and incorporates herein, paragraphs one through eleven, as though set  
22 forth at length.

23 **FAILURE TO FILE A SEMI-ANNUAL CAMPAIGN STATEMENT BY JULY 31, 1998**

24           13.      Pursuant to Government Code section 84200, Defendant Santa Rosa Rancheria, as a  
25 major donor committee, was required to file a semi-annual campaign statement with the Secretary of  
26 State by July 31, 1998, reporting all of the contributions that it made to California candidates and  
27 committees during the campaign reporting period January 1, 1998 through June 30, 1998.

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1           14. Defendant Santa Rosa Rancheria, doing business as Palace Bingo and/or the Palace  
2 Indian Gaming Center, and Doe I through Doe XX (hereafter collectively referred to as “Defendant  
3 Santa Rosa Rancheria”) made contributions to California candidates and committees totaling at least  
4 \$125,000 during the period January 1, 1998 through June 30, 1998.

5           15. Defendant Santa Rosa Rancheria did not file a semi-annual campaign statement with the  
6 Secretary of State, for the January 1, 1998 through June 30, 1998 campaign reporting period, by the July  
7 31, 1998 due date, in violation of Government Code section 84200.

8           16. Defendant Santa Rosa Rancheria, under the name “Palace Indian Gaming Center,”  
9 untimely filed a campaign statement for all of 1998, on August 24, 2002. Defendant Santa Rosa  
10 Rancheria, under the name “Palace Indian Gaming Center,” later filed an amended campaign statement,  
11 disclosing additional contributions during that same one-year period, on September 25, 2002.  
12 Additionally, Defendant Santa Rosa Rancheria, under the name “Santa Rosa Rancheria,” untimely filed  
13 a separate campaign statement for all of 1998, on September 25, 2002, disclosing still more contribution  
14 activity. All of these campaign statements were filed more than four years after the July 31, 1998 due  
15 date for the first semi-annual campaign statement of 1998.

16 FAILURE TO FILE A SEMI-ANNUAL CAMPAIGN STATEMENT BY JANUARY 31, 1999

17           17. Pursuant to Government Code section 84200, Defendant Santa Rosa Rancheria, as a  
18 major donor committee, was required to file a semi-annual campaign statement with the Secretary of  
19 State by January 31, 1999, reporting all of the contributions that it made to candidates and committees  
20 during the campaign reporting period July 1, 1998 through December 31, 1998.

21           18. Defendant Santa Rosa Rancheria made contributions to candidates and committees  
22 totaling at least \$117,250.00 during the campaign reporting period July 1, 1998 through December 31,  
23 1998.

24           19. Defendant Santa Rosa Rancheria did not file a semi-annual campaign statement with the  
25 Secretary of State, for the July 1, 1998 through December 31, 1998 campaign reporting period, by the  
26 February 1, 1999 due date, in violation of Government Code section 84200.

27           20. Defendant Santa Rosa Rancheria, under the name “Palace Indian Gaming Center,”  
28 untimely filed a campaign statement for all of 1998, on August 24, 2002. Defendant Santa Rosa

1 Rancheria, under the name "Palace Indian Gaming Center," later filed an amended campaign statement,  
2 disclosing additional contributions during that same one-year period, on September 25, 2002.

3 Additionally, Defendant Santa Rosa Rancheria, under the name "Santa Rosa Rancheria," untimely filed  
4 a separate campaign statement for all of 1998, on September 25, 2002, disclosing for the first time a  
5 contribution of \$250,000 that was made in October of 1998. All of these campaign statements were  
6 filed more than three years after the February 1, 1999, due date for the second semi-annual campaign  
7 statement of 1998.

#### 8 FAILURE TO FILE A SEMI-ANNUAL CAMPAIGN STATEMENT BY JANUARY 31, 2001

9 21. Pursuant to Government Code section 84200, Defendant Santa Rosa Rancheria, as a  
10 major donor committee, was required to file a semi-annual campaign statement with the Secretary of  
11 State by January 31, 2001, reporting all of the contributions that it made to candidates and committees  
12 during the campaign reporting period July 1, 2000 through December 31, 2000.

13 22. Defendant Santa Rosa Rancheria made contributions to candidates and committees  
14 totaling at least \$35,000.00 during the campaign reporting period July 1, 2000 through December 31,  
15 2000.

16 23. Defendant Santa Rosa Rancheria did not file a semi-annual campaign statement with the  
17 Secretary of State, for the July 1, 2000 through December 31, 2000 campaign reporting period, by the  
18 January 31, 2001 due date, in violation of Government Code section 84200. Defendant Santa Rosa  
19 Rancheria, under the name Palace Indian Gaming Center, untimely filed a campaign statement for all of  
20 2000 on August 24, 2002, but only filed a final amended statement reporting an additional \$35,000 in  
21 contributions made, on September 25, 2002, more than one year after the original due date.

#### 22 **SECOND CAUSE OF ACTION**

#### 23 (TWO VIOLATIONS-FAILURE TO DISCLOSE LATE CONTRIBUTIONS IN A LATE 24 CONTRIBUTION REPORT)

25 24. Plaintiff re-alleges, and incorporates herein, paragraphs one through twenty-three, as  
26 though set forth at length.

1           25. Pursuant to Government Code section 84203, subdivision (b), when a major donor  
2 committee makes a late contribution, the major donor committee must file a late contribution report with  
3 the Secretary of State within 24 hours of making the contribution, disclosing the contribution.

4           26. Government Code section 82036 defines a “late contribution” as a contribution  
5 aggregating \$1,000 or more that is received before an election, but after the closing date of the last pre-  
6 election statement that is required to be filed.

7           27. Under Government Code sections 82036, 84200.7, and 84200.8, the late contribution  
8 reporting period prior to an election is the last 16 days before the election. The late contribution  
9 reporting period for the November 3, 1998 general election was from October 18, 1998 through  
10 November 2, 1998, inclusive.

11 FAILURE TO REPORT A \$110,000 LATE CONTRIBUTION BY OCTOBER 20, 1998

12           28. Cruz Bustamante was, at all times relevant herein, a candidate for Lieutenant Governor of  
13 the State of California, in the November 1998 general election.

14           29. On October 19, 1998, Defendant Santa Rosa Rancheria, under the name Palace Bingo,  
15 made a late contribution of \$110,000.00 to Cruz Bustamante.

16           30. After making the \$110,000.00 late contribution, Defendant Santa Rosa Rancheria had a  
17 duty to disclose the late contribution by filing a late contribution report with the Secretary of State no  
18 later than October 20, 1998. Defendant Santa Rosa Rancheria did not disclose the \$110,000.00 late  
19 contribution in a late contribution report filed with the Secretary of State by the October 20, 1998 due  
20 date, in violation of Government Code section 84203, subdivision (b). Defendant Santa Rosa Rancheria  
21 did not file said late contribution report at any time prior to, or after the November 3, 1998 election.

22           31. Under the Act’s campaign reporting scheme, late contribution reports provide critical  
23 information to the public and the voters regarding 11<sup>th</sup>-hour efforts to influence an election through large  
24 contributions just before an election. By Defendant Santa Rosa Rancheria’s actions, the public and the  
25 voters were deprived of this critical information prior to the November 1998 general election.

26 FAILURE TO REPORT A \$250,000 LATE CONTRIBUTION BY OCTOBER 22, 1998

27           32. Yes on Proposition 5, Californians for Indian Self-Reliance was, at all times relevant  
28 herein, a state ballot measure committee, primarily formed to support the passage of Proposition 5 in the

1 November 1998 general election. Proposition 5, approved by a majority of California voters, set a  
2 record in 1998 as the most expensive initiative campaign to that point in California history, with  
3 \$92,000,000 spent collectively to qualify, support and oppose the initiative. Proposition 5 set the terms  
4 for a model gambling compact between the state and tribes, specifying, among other provisions, that  
5 certain gambling activities that are otherwise illegal in California are legal in Indian casinos, including  
6 video slot machines, certain card games, lotteries, raffles, and off-track parimutuel betting, and included  
7 a waiver of the State of California's sovereign immunity.

8 33. On or about October 21, 1998, Defendant Santa Rosa Rancheria, under the name Santa  
9 Rosa Rancheria, made a late contribution of \$250,000 to the committee, Yes on Proposition 5,  
10 Californians for Indian Self-Reliance.

11 34. After making the \$250,000 late contribution, Defendant Santa Rosa Rancheria had a duty  
12 to disclose the late contribution in a late contribution report that was required to be filed with the  
13 Secretary of State no later than October 22, 1998. Defendant Santa Rosa Rancheria did not disclose the  
14 \$250,000 late contribution in a late contribution report filed with the Secretary of State by the October  
15 22, 1998 due date, in violation of Government Code section 84203, subdivision (b). Defendant Santa  
16 Rosa Rancheria did not file said contribution report at any time prior to, or after the November 3, 1998  
17 election.

18 35. Under the Act's campaign reporting scheme, late contribution reports provide critical  
19 information to the public and the voters regarding 11<sup>th</sup>-hour efforts to influence an election through large  
20 contributions just before an election. By Defendant Santa Rosa Rancheria's actions, the public and the  
21 voters were deprived of this critical information prior to the November 1998 general election.

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1 **PRAYER FOR RELIEF**

2 WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

- 3 1. For statutory penalties against Defendant Santa Rosa Indian Community of the Santa  
4 Rosa Rancheria, payable to the "General Fund of the State of California," according to proof, in an  
5 amount up to the amount(s) not properly reported, as permitted by Government Code section 91004;  
6 2. For the costs of suit herein;  
7 3. For such other and further relief as the Court may deem proper.

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9 STEVEN BENITO RUSSO  
10 Chief of Enforcement  
11 LUISA MENCHACA  
12 General Counsel  
13 WILLIAM L. WILLIAMS, JR.  
14 Commission Counsel  
15 HOLLY B. ARMSTRONG  
16 Commission Counsel  
17 Attorneys for Plaintiff

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Dated: October 7, 2002

By:   
Steven Benito Russo  
Chief of Enforcement